

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Barbara Beerhalter	Chair
Cynthia A. Kitlinski	Commissioner
Norma McKanna	Commissioner
Robert J. O'Keefe	Commissioner
Darrel L. Peterson	Commissioner

In the Matter of the Petition of AT&T  
Communications of the Midwest, Inc. to  
Change Its Rates for Telephone Service  
Offered Within the State of Minnesota

ISSUE DATE: April 28, 1988

DOCKET NO. P-442/EM-87-862

ORDER APPROVING WITHDRAWAL OF  
PROPOSAL TO ELIMINATE TOLL  
DISCOUNT PLANS

PROCEDURAL HISTORY

On December 31, 1987, AT&T Communications of the Midwest, Inc. (AT&T/MW or the Company) filed a petition to revise its rates within the State of Minnesota. In that filing, the Company proposed to discontinue the Community Calling and Circle Calling Rate Break toll discount plans on February 1, 1988. At the request of Commission staff, AT&T/MW delayed the effective date for the proposed discontinuance until March 1, 1988.

On February 16, 1988, the Commission met to consider the petition. The Commission determined that additional information was necessary and that it would not take final action on AT&T/MW's petition for 60 days. The Commission also determined that AT&T/MW's toll discount plans should remain in effect while the additional information was collected. On February 23, 1988, the Commission issued an order staying elimination of the toll discount plans until May 1, 1988.

School Districts 262 and 263, and various telephone customers in the vicinity of Elbow Lake, Barrett, and Wendell, Minnesota submitted letters opposing the discontinuation of the toll discount plans. The Department of Public Service (DPS), the Office of the Attorney General, and Runestone Telephone Association also opposed discontinuation of the plans.

On April 25, 1988, AT&T/MW requested that it be allowed to withdraw its proposal to eliminate the toll discount plans. No party opposed this request.

FINDINGS AND CONCLUSIONS

The Community Calling Plan and Circle Calling Rate Break are rate plans which offer discounts on short-distance toll calls to customers. They are often used as alternatives to Extended Area Service. These plans were originally provided on an intrastate basis by Northwestern Bell Telephone Company (Northwestern Bell). Since divestiture, they have been offered on an intraLATA basis by Northwestern Bell and on an interLATA basis by AT&T/MW.

AT&T/MW initially argued that the toll discount plans should be eliminated as inappropriate for today's environment. The Company now believes the plans should be retained until other rate plans are developed to meet the needs of customers who make large numbers of short-distance toll calls.

The record in this case demonstrates that alternative rate plans addressing the needs of customers making large numbers of short-distance toll calls are needed. The Commission concludes that it is not in the public interest to discontinue the Community Calling or the Circle Calling Rate Break plan while alternative rate plans are being developed and evaluated. Therefore, the Commission will approve AT&T's request to withdraw its proposal to discontinue the plans.

### ORDER

1. AT&T/MW's request to withdraw its proposal to eliminate the Community Calling and the Circle Calling Rate Break toll discount plans is approved.
2. AT&T/MW shall submit tariff pages or price lists reflecting the on-going provision of the Community Calling and the Circle Calling Rate Break toll discount plans to the DPS within 10 days of the issuance of this Order.
3. This Order is effective immediately.

BY ORDER OF THE COMMISSION

Mary Ellen Hennen  
Executive Secretary

(S E A L)